



March 21, 2011

By ECFS AND OVERNIGHT COURIER

Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: Application of Sign Language Access, Inc., d/b/a CallVRS, for
Certification by the Commission as a Video Relay Service
Provider

ATTN: Joel Gurin, Chief, Consumer & Governmental Affairs Bureau, Karen Peltz
Strauss, Deputy Chief, Consumer and Governmental Affairs Bureau and Greg Hlibok,
Chief, Disability Rights Office

Secretary Dortch:

Enclosed for filing with the Federal Communications Commission is the Application of Sign Language Access, Inc., d/b/a CallVRS for Certification as a Video Relay Service and IP Relay Service Provider. By this Application, Sign Language Access, Inc. applies to the Commission for a finding that Sign Language Access, Inc. meets the requirements for compensation eligibility from the federal Telecommunications Relay Service Fund for the provision of Internet-based Video Relay Service, pursuant to Section 64.606 (a) of the Commission's rules, Please contact the undersigned with any questions you may have or any need for additional information.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Emilia Lorenti-Wann".

Emilia Lorenti-Wann
Owner
Sign Language Access, Inc.

Enclosure

cc: Keith Wann

**Before the
Federal Communications Commission
Washington, DC 20554**

In the matter of)
)
Telecommunications Relay Services and)
Speech-to-Speech Services for)
Individuals with Hearing and Speech)
Disabilities)
)
Application of Sign Language Access, Inc.,)
d/b/a CallVRS)
for Certification as a Video Relay Service)
and IP Relay Service Provider)

To: Joel Gurin, Chief, Consumer and Governmental Affairs Bureau, Karen Peltz Strauss, Deputy Chief, Consumer and Governmental Affairs Bureau and Greg Hlibok, Chief, Disability Rights Office

**APPLICATION OF SIGN LANGUAGE ACCESS, INC, d/b/a CALLVRS, FOR
CERTIFICATION AS A
VIDEO RELAY SERVICE AND IP RELAY SERVICE PROVIDER**

Sign Language Access, Inc., d/b/a CallVRS ("CallVRS" or "Applicant") hereby submits its application to the Federal Communications Commission ("FCC" or "Commission") for certification that Applicant is eligible to receive reimbursement from the Interstate Telecommunications Relay Service Fund ("TRS Fund" or "Fund") as a provider of Video Relay Service ("VRS") and Internet-Protocol ("IP") Relay Service pursuant to 47 C.F.R. § 64.606, regarding *VRS and IP Relay provider and TRS program certification*.¹

Applicant is a well experienced VRS provider with considerable familiarity with the needs of VRS consumers, and seeks certification to better serve its current and future consumers. Applicant has both the capability and the resources to provide high quality VRS and IP Relay Services that benefit a great number of persons with speech or hearing impairments, which it has demonstrated by way of its provision of VRS to date. As described herein, Applicant currently meets each of the standards required of a provider seeking certification as a VRS and IP Relay Service provider eligible for reimbursement

¹See *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket No. 03-123, Report and Order and Order on Reconsideration, 20 FCC Reg. 20577 (2005).

² See *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket No. 03-123, Order, 22 FCC Rcd. 21869 (2007)

from the Fund, and hereby requests that the Commission grant such certification in as prompt a manner as practicable.

I. Background

CallVRS was established in 2006 and is owned by Emilia Lorenti-Wann and Keith Wann, biographies of whom are attached hereto as Exhibit A. Applicant is a growing company whose mission is to provide effective and courteous communication linking the Deaf/Hard-of-Hearing and hearing communities by means of advanced technology through experienced, professional video interpreters. Applicant was formed in recognition of a need for an innovative type of VRS provider, resulting from Applicant's identification of certain groups within the deaf and hard of hearing community who had been traditionally under-served by the VRS industry, prior to Applicant's entry in to the market. These groups included, but were not limited to, the Deaf-Latino and Deaf-Blind Communities, as well as Deaf Business Owners and Professionals. By focusing on these communities, Applicant has been able to provide a valuable and much needed service, and to grow as meaningful provider of VRS.

Applicant offers outstanding VRS services while also providing customers with a personalized experience. All of Applicant's interpreters are not only nationally certified by RID, but also have substantial prior VRS experience. Furthermore, each of Applicant's interpreters prides him or herself on being active members of the deaf community.

These qualifications ensure the high quality of the service Applicant provides, and constantly reinforce Applicant's foremost commitment to ethical business practices and

to Applicant's consumers and the communities that Applicant serves.

In each and every call, CallVRS displays both an interpreter number and the interpreter's first name onscreen, allowing Applicant's consumers to put a "face to a name" as is common practice throughout the Deaf community. Applicant finds that as a result many of its consumers prefer to use Applicant's services and benefit from the rapport they are able to build with Applicant's interpreters. Applicant's consumers recognize this collegial relationship as being at the heart of a deaf-friendly service provider, and what differentiates Applicant from more traditional providers, whose lack of consumer orientation often results in poor service.

Applicant believes that the hearing community takes for granted, or does not properly recognize or value, the amount of personal information that is filtered through an interpreter during a call. Given the quality and amount of such personal information, Applicant asserts that it is critical that a Deaf individual using a VRS provider be confident that their message is being communicated accurately, truly comfortable with the interpreter with whom they are working and that they have no doubt that their personal information is kept in the strictest confidence. Consumers using CallVRS find themselves able to work more directly in concert with the interpreter to deliver the message with near symbiotic accuracy. Although VRS is an industry, interpreters are the human connection that makes that industry function. It is through this working relationship that Applicant is able to build trust and respect between consumer and interpreter, and differentiate itself as a quality-oriented provider.

Applicant seeks to offer a wide range of services, including all non-waived forms of VRS and IP Relay Services.

Because of Applicant's unique dedication to providing highly personalized services, while making consumers uniquely comfortable with their interpreters and particularly confident in their ability to clearly communicate on the consumer's behalf, certification of Applicant to provide VRS and IP Relay Services is both in the public interest and consistent with the Commission's rules. In addition, grant of this application can be expected to enhance competition in the provision of VRS and IP Relay Services, providing consumers with greater choice and potentially stimulating development of new and improved services.

Section 64.606(a)(2) of the FCC's rules states that "any entity desiring to provide VRS or IP Relay services, independent from a certified state TRS program or a TRS provider otherwise eligible for compensation from the Interstate TRS Fund, and desiring to receive compensation from the Interstate TRS Fund, shall submit documentation to the" FCC, describing in narrative form eight (8) matters designed to demonstrate its fitness as a VRS and IP Relay Service provider. Applicant hereby provides that information below.

II. Section 64.606(a)(2) Narrative

A. A description of the forms of TRS to be provided.

It is the intention of applicant to provide all non-waived forms of VRS and IP Relay Services.²

² See *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket No. 03-123, Order, 22 FCC Rcd. 21869 (2007) (extending through January 1, 2009, waiver of any requirement that VRS and IP Relay Service

B. A description of how the provider will meet all non-waived mandatory minimum standards applicable to each form of TRS offered

Applicant initially intends to provide VRS and IP Relay Services by utilizing its experienced pool of CAs. High service standards will be maintained and Applicant will at all times ensure it's and it's CAs' compliance with the non-waived operational, technical, and functional standards of Section 64.604 of the FCC's rules.

A brief description of certain of those standards and how Applicant satisfies them follows.

1. Operational Standards

a) *Communications Assistants -- 64.604(a)(1)*

The FCC's rules specify the qualifications and required behavior of Communications Assistants ("CAs"). Applicant believes that the competency of its CAs will be paramount to the provision of excellent VRS and IP Relay Services to persons with hearing and speech impairments. CallVRS is committed to maintaining rigorous proficiency standards for CAs that will continue to meet or exceed the minimums established in FCC rules. Well skilled and well-trained sign language interpreters are critical to the provision of VRS and Applicant employs an intensive screening process to select only well-qualified interpreters and provides ongoing training to ensure interpreters' skills are kept well-honed.

It is and shall continue to be Applicant's policy and practice to ensure that all CAs are knowledgeable about service requirements of confidentiality, in call

providers offer certain types of TRS, including Voice Carry Over ("VCO") and Hearing Carry Over ("HCO") services).

practices and each and every applicable TRS requirement expressed in Section 64.604(a)(1) & (2) of the regulations. Initial training and regular updates on TRS rules are and will continue to be provided. Applicant currently does and will continue to make every effort to accommodate users' requests for specific CA gender both at call initiation and at transfer, when such requests are made by consumers. In addition to the foregoing, Applicant does and will continue to meet all of the other obligations of Section 64.604(a)(1) of the rules.

b) *Confidentiality and Conversation Content -- 64.604(a)(2)*

The applicable rules specify those obligations of CAs to protect confidentiality of the content of calls. Applicant does and will continue to ensure through experience, training and supervision that its personnel will adhere to these obligations. Confidentiality is and shall remain of the utmost importance in all of Applicant's interactions with consumers.

c) *Types of Calls -- 64.604(a)(3)*

This section of the regulations specifies the types of calls that TRS providers are required to handle. Applicant is at all times in compliance with such regulations, and handles all permissible and required calls. Consistent with such obligations, Applicant does not refuse calls or limit the length of calls, and will not do so without specific instruction by the Commission to do so. All calls, including long distance calls are and will continue to be completed without charge to the consumer. While Applicant does not currently handle the types of calls that have been waived by the FCC, CallVRS intends to make all reasonable efforts to

address applicable call types when those waivers expire.

d) *Emergency Call Handling Requirements for TTY-based TRS Providers -- 64.604(a)(4)*

Since the expiration of the applicable waiver, Applicant, through its technology partners, has provided for the immediate routing of emergency calls (along with the caller's telephone number) to the appropriate public safety answering point ("PSAP"). Recognizing the limitations of VRS and IP Relay Services for placing emergency calls, Applicant provides appropriate educational materials on its website for consumers regarding such limitations. Applicant commits to continue to develop its emergency service offerings as the available technology allows, recognizing the vital and essential nature of such offerings.

e) *STS Called Numbers -- 64.604(a)(5)*

It is the understanding of CallVRS that the Commission has waived for VRS and IP Relay Services the requirement under this provision of the regulations that CAs maintain a list of names and telephone numbers speech-to-speech ("STS") users call. At such time as such waiver is lifted, Applicant commits to comply with any established requirement.

2. *Technical Standards*

a) *ASCII and Baudot -- 64.604(b)(1)*

The ASCII and Baudot communication requirement contained in this rule is waived for VRS. When offered, Applicant's IP Relay Service will be capable of communicating with ASCII and Baudot format at any speed generally

in use.

b) *Speed of Answer -- 64.604(b)(2)*

Applicant's current policy and practice is to ensure that it, or any contractor it employs, at all times meets or exceeds the speed of answer requirements set forth in this section of the regulations regarding VRS calls. Through its technology partners, Applicant utilizes an automated monitoring system to continually measure speed of answer. ASA reports are continually monitored to ensure that the applicable standards are met and exceeded. It is Applicant's staffing and scheduling policy and practice to ensure that the proper number of work stations staffed with highly qualified CAs are available to ensure at all times that consumers using Applicant's services are not faced with lengthy waits for service.

c) *Equal Access to Interexchange Carriers -- 64.604(b)(3)*

The requirements of this provision of the regulations have been waived for VRS and IP Relay Service providers, provided that they provide free long distance service to end users. Applicant currently provides such services free of charge and commits to continue to do so.

d) *TRS Facilities -- 64.604(b)(4)*

Applicant maintains continuous operation of its VRS services, and will maintain continuous operation of its IP Relay Services when the offering of such services is initiated, accepting calls twenty-four (24) hours a day, seven (7) days a week. System redundancy features such as uninterruptible power supply

provisioning, distributed call centers and multiply redundant connection paths for CAs are just some features that ensure that the continuous provision of services remains uninterrupted by technical malfunctions or issues.

e) *Technology -- 64.604(b)(5)*

The requirement, as provided in this rule, that TRS providers using SS7 technology comply with Calling Party Telephone Number rules is not applicable to VRS and IP Relay Services, as such services are not currently capable of using SS7 technology. Therefore this requirement is not applicable to Applicant.

f) *Caller ID -- 64.604(b)(6)*

By way of its technology partners, Applicant currently complies and will continue to comply with the requirement set forth under this rule to transmit caller ID information to the public network.

3. *Functional Standards*

a) *Consumer Complaint Logs -- 64.604(c)(1)*

As required by this section of the regulations, Applicant currently maintains a comprehensive log of any consumer complaints received, with information on the date of the complaint, description of the complaint, the complaint's resolution, and the date of such resolution. A separate log will be kept IP Relay Services, meeting the same standards. Applicant commits to continue to meet all annual reporting requirements regarding such complaints.

b) *Contact Person -- 64.604(c)(2)*

This rule requires designation of a contact person to coordinate with the

Commission on TRS matters. The designated TRS contact person for Applicant is:

Emilia Lorenti-Wann
1700 Nursery Road
Clearwater, FL 33756
212-729-6204

c) *Public Access to Information -- 64.604(c)(3)*

Applicant will take steps to ensure that potential users are made aware, as required by this rule, of the availability of Applicant's VRS and IP Relay Services. Applicant currently maintains a comprehensive website, and engages in unique and distinctive advertising, consumer trade show presentations, meetings with user communities, distribution of informational materials, direct mailing to consumers, online communication, and other promotional methods. Applicant believes that, given the nature of the individuals associated with Applicant, consumer outreach is one substantial area in which Applicant has and will continue to distinguish itself.

d) *Rates -- 64.604(c)(4)*

Applicant does not charge consumers for its services in any way. Applicant does not intend at any time in the future to assess any charge to users of its VRS and IP Relay Services, including long distance charges. In compliance with this provision of the rules, at no time will Applicant charge users of its VRS and IP Relay Services for services at rates greater than would be paid for functionally equivalent voice communication services with respect to such factors as the

duration of the call, the time of day, and the distance between the point of origination and the point of termination.

e) *Jurisdictional Separation of Costs -- 64.604(c)(5)*

Because of technical difficulty in identifying the interstate or intrastate jurisdiction of VRS and IP Relay Services calls, both of the services are currently reimbursed from the Interstate TRS Fund. At such time as the FCC may determine that it is possible to jurisdictionally separate costs for VRS and IP Relay Services, Applicant will comply with cost separation instructions contained in this provision of the regulations and otherwise established by the Commission. Until such time, Applicant will comply with the current rules and practices instituted by the Commission.

f) *Complaints -- 64.604(c)(6)*

Applicant's user complaint procedures are described below. As stated above, Applicant maintains a complaint log and will meet all annual submission requirements. Applicant understands that complaints about its VRS and IP Relay Services may also be filed directly with the FCC and commits to cooperate readily and fully in any investigation or other procedure the Commission may undertake to resolve complaints it may receive about Applicant services.

g) *Treatment of TRS Customer Information -- 64.604(c)(7)*

Applicant commits that, consistent with this provision of the rules, all customer information about users of its VRS and IP Relay Services will be treated confidentially. Under no circumstances will such information be sold, distributed,

shared, or revealed in any way by Applicant or any of its employees, agents, or contractors unless compelled to do so by lawful order.

4. Other Requirements

a) Notification of Substantive Change -- 64.606(f)

Applicant commits to provide notice to the FCC of substantive changes to Applicant's VRS and IP Relay Services within 60 days of the date when any such change occurs. Applicant will, at the time any such notification is made, also certify that Applicant's VRS and IP Relay Services, as applicable, continue to meet minimum federal standards after implementing the substantive change.

b) Annual Reports -- 64.604(c)(5)(iii)(H)

Applicant commits to provide the FCC with annual compliance reports on its VRS and IP Relay Services, transmitting such information as the Commission may require for such reports

c) Other

Applicant commits to meet or exceed any and all other standards for VRS and IP Relay Services that have been or will be established by the FCC.

C. A description of the provider's procedures for ensuring compliance with all applicable TRS rules - *Mandatory Minimum Standards* – 64.604(a)(1)

Standard (i): “TRS providers are responsible for requiring that all CAs be sufficiently trained to effectively meet the specialized

communications needs of individuals with hearing and speech disabilities.”

At CallVRS, qualified CAs are essential to the successful provisions of the Video Relay Service, its ability to meet its clients specialized and varied communications needs and as the company’s “face” to the public. To qualify for employment, CA’s must first meet CallVRS’ minimum qualifications for employment and then demonstrate understanding of CallVRS’ operating standards, before the CA can begin interpreting.

CA candidates are screened for typing ability, ASL skills and skill certification and judged for orientation and attitude toward helping the speech and hearing impaired. The initial candidate screening process is performed by a team of CA’s headed by a senior CA. The team reviews and tests each candidate CA’s stated qualifications, and the individual’s orientation to the position is judged. Screening also includes in depth measurement of ASL performance as well as a comprehensive analysis of ASL to voice skills that is critical to conveying the deaf user’s message accurately. Candidates are then tested in mock calls to determine operating capabilities. If the candidate passes initial testing and is recommended for employment, security/references are verified. Employees may be subject to drug screening. Only then do candidates qualify for employment at the relay center and are offered a position with the company.

Each CA accepting a position with the company undergoes an initial orientation with presentations from senior management regarding company missions, objectives, obligations, and compliance. New hires receive detailed orientation from experienced CAs, and are provided reference materials, including a listing of compliance requirements and metrics. The CAs receive training on each type of call that may be received and are engaged in mock practice calls to gain confidence in equipment usage and procedures. The new hire is then monitored closely for a minimum of one week until standards of performance are exceeded. Ongoing monitoring of performance is maintained with identified areas for improvement given a training plan.

On an ongoing basis, CA's participate in weekly meetings and periodic focus group meetings with volunteer users to discuss operations, share experiences and provide practical education. A mentor is assigned to the new CA to assist in the CA's development and to serve as an ongoing resource. Each CA is evaluated semi-annually by a supervisor, to ensure that the CA maintains proficiency and meets operational standards. Those CAs who are found substandard are required to engage in remedial training subject to more frequent evaluations and ultimately dismissal if performance fails to meet minimum standards. CallVRS VRS conducts scheduled "refresher courses" and frequent seminars to address topics of particular importance to CAs. To include changes in operating standards and issues affecting CallVRS VRS's

subscribers. Guest speakers are invited to address issues of concern to the speech and hearing impaired community. CAs are encouraged to engage in continuing education.

CAs are required to sign a statement agreeing to be bound by the Registry of Interpreters for the Deaf or National Association of the Deaf Code of Professional Conduct through the course of their employment with CallVRS.

Standard (ii): “CAs must have competent skills in typing, grammar, spelling, interpretation of typewritten ASL, and familiarity with hearing and speech cultures, languages and etiquette. CAs must possess clear and articulate voice communications.”

CA Professional accreditation is a prerequisite for employment, as noted above. A CA’s typing, grammar and spelling skills, as well as the CA’s ability to interpret ASL and familiarity with hearing and speech disability cultures, languages and etiquette and the ability to communicate articulately, are judged as part of the initial screening process and ongoing post-hire evaluations. Only candidates who qualify based on the determination of the initial CA screening team are considered for employment or engagement. Although many new hires or contractors will have practical interpreting experience, CallVRS Video Relay Services CA screening team will also

consider educational experience and teacher evaluations for candidates who recently graduated from accredited colleges or training courses.

Standard (iii): “CAs must provide a typing speed of a minimum of 60 words per minute. Technological aids may be used to reach the required typing speed. Providers must give oral-to-type tests of CA speed.”

As CallVRS offers VRS, primary skill set focus is placed upon the CA’s ability to interpret from ASL. Because CallVRS’s VRS platform supports instant text messaging, candidates and CAs are expected to meet the minimum sixty (60) words per minute standard, which is incorporated into initial screening tests and subsequent evaluation of CAs.

Standard (iv): “TRS providers are responsible for requiring that VRS CAs are qualified interpreters. A “qualified interpreter” is able to interpret effectively, accurately, and impartially, both receptively and expressively, using any necessary specialized vocabulary.”

Employee candidates must maintain professional accreditation through the Registry of Interpreters for the Deaf (RID), NIC-Master, National Interpreter Certificate, CI or CT, or National Association of the Deaf, have demonstrated practical experience as an ASL interpreter and/or be a graduate of an accredited institution’s ASL interpreter program. These minimum

requirements, coupled with the extensive screening, ensures that employed CA's are effective in understanding and meeting the communications needs of the CallVRS's clients.

Standard (v): "CAs answering and placing a TTY-based TRS or VRS call must stay with the call for a minimum of ten minutes. CAs answering and placing an STS call must stay with the call for a minimum of 15 minutes."

CallVRS has adopted this standard to the extent applicable to VRS calls and includes the requirement in training and in performance evaluations. CallVRS VRS has also incorporated the standard in planning for interpreter staffing requirements, as a function of subscribers served and the probability of TTY- based and STS calls. As a general matter, CAs are instructed to remain on each call until the call is terminated even if the call extends beyond the CA's shift, unless a change in CA is expressly authorized by the subscriber.

Standard (vi): "TRS providers must make best efforts to accommodate a TRS user's requested CA gender when a call is initiated and, if a transfer occurs, at the time the call is transferred to another CA."

CallVRS platform allows for the transfer of a caller at the time a call is

initiated as well as the time that a call is transferred to a CA of the caller's request. CAs are able to identify available agents by gender, as well as certain skills and abilities, allowing this standard to be met at consumers' requests. Further technological enhancements are expected to expand Applicant's capabilities in this area in short order.

Standard (vii): "TRS shall transmit conversations between TTY and voice callers in real time."

Although only a minority of calls are TTY calls, in light of the fact that CallVRS's service is intended specifically to provide VRS, CAs are required to support text messaging, including TTY calls, as noted supra at "Standard (v)"

Quality Assurance Program

To evaluate ongoing CA operational standard compliance, CallVRS has adapted a Quality assurance Program comprised of three key functions:

1. Monthly CA Surveys. CallVRS VRS conducts formal monthly surveys of CA performance to evaluate work performance, personal; effectiveness, and attendance. Survey results are used to provide CAs with objective performance measures
2. Quality assurance Test Calls. Frequent test calls are placed to

CAs to evaluate call-processing capabilities. Each CA is given immediate critiques and areas for improvement re underscored

3. Subscriber Surveys. Subscribers are requested to provide feedback on their calling experience on an ongoing basis. Additionally, ad hoc surveys are made by CA supervisors to solicit specific observations from subscribers. Anonymous survey responses are provided to all CAs and to specific CAS if subscriber responses pertain to an individual CA.

CallVRS's Quality Assurance Program ensures that standards are met, and moreover, that subscribers' calling experience is exceptional, and that CA's remain proficient in serving subscribers.

D. A Description of the Provider's complaint procedures

In addition to maintaining and submitting those complaint logs previously described herein, Applicant addresses each complaint received by recording all pertinent information at the time such complaint is received, contacting all CallVRS personnel implicated in such complaint, compiling all relevant information, taking any and all necessary measures to ensure that the causes of any valid complaints are immediately remediated, and, when appropriate, engaging the complaining party to provide a resolution. It is Applicant's policy to seek resolutions to complaints that satisfy the needs of all parties involved.

E. A narrative describing any areas in which the provider's service will differ from the applicable mandatory minimum standards

Applicant VRS and IP Relay Services do not differ from the applicable mandatory minimum standards, except in those areas, such as ASA, outreach and customer service, where it is Applicant's intent and practice to exceed such standards on a regular basis.

F. A narrative establishing the services that differ from the mandatory minimum standards do not violate applicable mandatory minimum standards

Applicant VRS and IP Relay Services differ from the mandatory minimum standards established by the Commission, only in that they from time to time exceed such standards. As such, the mandatory minimum standards are not violated.

G. Demonstration of status as a common carrier

Attached hereto as Exhibit B is a copy of **ORDER NO. PSC-11-0091-CO- TX, as well as other related documentation**, by virtue of which which the Florida Public Service Commission has granted Applicant's application for Certificate to Provide Competitive Local Exchange Telecommunications Service, granting Applicant the common carrier status required hereunder.

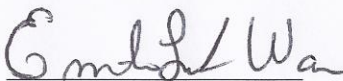
H. A statement that the provider will file annual compliance reports demonstrating continued compliance with these rules.

Applicant hereby commits to providing required annual compliance reports to the FCC and to promptly and fully comply with any other requests by the Commission for data or information about the operation of Applicant's VRS and IP Relay Service operation.

III. Conclusion

As demonstrated herein, Applicant meets all of the regulatory requirements for certification to receive reimbursement from the Interstate TRS Fund for provision of VRS and IP Relay Services. Applicant therefore respectfully requests the Commission's expeditious grant of such certification.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "Emilia Lorenti-Wann", written over a horizontal line.

Emilia Lorenti-Wann

Owner

Sign Language Access, Inc., d/b/a CallVRS

March 21, 2011

Exhibit A

Biographies of Founders

Emilia Lorenti-Wann is of Uruguayan decent, and is as comfortable in Spanish as she is in English or ASL. She has been interpreting professionally since 1987. Emilia has a strong commitment to the DeafBlind community which has lead her to volunteer at the American Association of the DeafBlind conference for several years. She is a determined entrepreneur, and has owned interpreting agencies in Florida and in New York. She has demonstrated her extensive leadership and management skills by coordinating conferences ranging from the National Registry for the Deaf national conference to state events, and served as the coordinator and recruiter for the largest-ever deaf-oriented cruise, which was attended by approximately 4,000 deaf individuals and 150 interpreters of whom 18 were Certified Deaf interpreters for DeafBlind passengers. She also served as the first Latina president of the Georgia chapter of the RID. Her commitment to the deaf community, demonstrated by every aspect of her professional experience, stems from many sources, not the least of which is a member of her immediate family who communicates primarily using ASL.

Keith Wann is a child of deaf adults. As a hearing child with a cultural deaf background he became a certified sign language interpreter at a young age and recently was certified Master Level. He has freelanced throughout his career focusing on mental health and performing arts. Keith was also a GS9 employee for the Department of Defense Overseas Educational Activiity, providing services to deaf family members in Germany. Upon arriving back in the states Keith focused on his performing career that gave back to his parent's deaf world. He appeared in several short films, and starred in Pepsi's online commericals for the 2008 Superbowl. He got back into interpreting by opening an agency that focused on the needs of the underserved in the deaf community, the grass roots population. He introduced ASL Literacy into his daily work by providing free ASL videos to children who used sign, and recently started his own radio show to help bridge the cultural differences between the hearing and deaf world.

Exhibit B
Demonstration of Status as a Common Carrier

[SEE ATACHED]

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

TO: Parties and Interested Persons
FROM: Ann Cole, Commission Clerk, Office of Commission Clerk
RE: Notice of Filing of Staff Recommendation

Notice is being given that a staff recommendation has been filed with the Office of Commission Clerk for the upcoming Commission Conference Agenda. See attached page one for filing date, docket number, and document number information.

Complete staff recommendations for items on the agenda are available from the Commission's Web site <http://www.floridapsc.com> by selecting the **Agendas & Hearings** tab and then selecting **Commission Conference Agendas**. Vote sheets, transcripts, and minutes are also viewable once they become available. Records of Commission actions can also be viewed by selecting **Dockets & Filings, Dockets** and the docket number or document number.

I hope you find this information helpful. If you have any questions concerning this information, please feel free to contact the Office of Commission Clerk at (850) 413-6770.



-M-E-M-O-R-A-N-D-U-M-

COMMISSION
CLERK

DATE: December 2, 2010

TO: Office of Commission Clerk (Cole)

FROM: Division of Regulatory Analysis (R. Kennedy) *RR*
 Office of the General Counsel (A. Teitzman) *AT*

RE: Application for Certificate to Provide Competitive Local Exchange
 Telecommunications Service *mm*

AGENDA: 12/14/2010 - Consent Agenda - Proposed Agency Action - Interested
 Persons May Participate

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\RAD\WP\100430-TX.RCM.DOC

Please place the following Application for Certificate to Provide Competitive Local Exchange Telecommunications Service on the consent agenda for approval.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>CERT. NO.</u>
100430-TX	Sign Language Access, Inc. d/b/a callVRS	8801

The Commission is vested with jurisdiction in this matter pursuant to Sections 364.335 and 364.337, Florida Statutes. Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return Notice will be mailed each December to the entity listed above for payment by January 30.

DOCUMENT NUMBER-DATE

09704 DEC-20

FPSC-COMMISSION CLERK

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, December 14, 2010, 9:30 a.m.

LOCATION: Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

DATE ISSUED: December 3, 2010

NOTICE

Persons affected by Commission action on certain items on this agenda may be allowed to address the Commission, either informally or by oral argument, when those items are taken up for discussion at this conference. These items are designated by double asterisks (**) next to the agenda item number.

To participate informally, affected persons need only appear at the agenda conference and request the opportunity to address the Commission on an item listed on agenda. Informal participation is not permitted: (1) on dispositive motions and motions for reconsideration; (2) when a recommended order is taken up by the Commission; (3) in a rulemaking proceeding after the record has been closed; or (4) when the Commission considers a post-hearing recommendation on the merits of a case after the close of the record. The Commission allows informal participation at its discretion in certain types of cases (such as declaratory statements and interim rate orders) in which an order is issued based on a given set of facts without hearing.

See Rule 25-22.0021, F.A.C., concerning Agenda Conference participation and Rule 25-22.0022, F.A.C., concerning oral argument.

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ITEM NO.

CASE

1

Approval of Minutes

October 26, 2010 Regular Commission Conference

2**

Consent Agenda

A) Docket No. 100444-GU - Application for authorization to issue common stock, preferred stock and secured and/or unsecured debt, and to enter into agreements for interest rate swap products, equity products and other financial derivatives, and to exceed limitation placed on short-term borrowings in 2011, by Chesapeake Utilities Corporation.

Chesapeake Utilities Corporation (Chesapeake or Company) seeks authority to issue common stock, preferred stock and secured and/or unsecured debt, and to enter into agreements for interest rate swap products, equity products and other financial derivatives, and to issue short-term borrowings in 2011.

The Company seeks authority to issue during calendar year 2011 up to 6,194,000 shares of Chesapeake common stock; up to 1,000,000 shares of Chesapeake preferred stock; up to \$150 million in secured and/or unsecured debt; to enter into agreements up to \$40 million in Interest Rate Swap Products, Equity Products and other Financial Derivatives; and to issue short-term obligations during 2011, in an amount not to exceed \$100 million.

Chesapeake Utilities Corporation allocates funds to the Florida Division, Florida Public Utilities Company, and Indiantown Gas on an as-needed basis, although in no event would such allocations exceed 75 percent of the proposed equity securities (common stock and preferred stock), long-term debt, short-term debt, interest rate swap products, equity products, and financial derivatives.

PAA

B) Application for Certificate to Provide Pay Telephone Service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
100436-TC	Crown Correctional Telephone, Inc.

PAA

C) Application for Certificate to Provide Competitive Local Exchange Telecommunications Service.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
100430-TX	Sign Language Access, Inc. d/b/a callVRS

Agenda for
Commission Conference
December 14, 2010

<u>ITEM NO.</u>	<u>CASE</u>
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2**	Consent Agenda
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(Continued from previous page)

PAA	D) Request for Cancellation of Competitive Local Exchange Telecommunications Certificates.
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<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>EFFECTIVE DATE</u>
100424-TP	Grande Communications Networks LLC	10/13/2010
100433-TP	American Fiber Systems, Inc.	11/05/2010

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets, with the exception of Docket No. 100444-GU. For monitoring purposes, Docket No. 100444-GU should remain open until April 27, 2012 to allow the Company time to file the required Consummation Report.

ITEM NO.

CASE

3

Docket No. 090505-EI – Review of replacement fuel costs associated with the February 26, 2008 outage on Florida Power & Light Company's electrical system. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: GCL: Bennett

ECR: Lee, Roberts

RAD: Graves, Matthews

(Oral Argument Not Requested. Participation at the Discretion of the Commission. Pursuant to Section 350.01, F.S., only Commissioners who voted on the final order may vote on reconsideration.)

Issue 1: Should the Commission reconsider its decision to credit FPL with 27 hours of time associated with the repair of the rod position indication system at Turkey Point Unit 3?

Recommendation: No. The Commission considered and evaluated all the record evidence in reaching its conclusion that the incremental time associated with the repair of the rod position indication system was 27 hours and not 126 hours. Because the Commission did not overlook or fail to consider the evidence in the record, FPL's motion for reconsideration should be denied.

Issue 2: Should the Commission reconsider its decision to require Florida Power & Light Company to refund the full 107 hours of outage at Turkey Point Unit 4, without giving credit for the time required to replace and test a malfunctioning relay in at the reverse power protection system?

Recommendation: No. The Commission did not overlook or fail to consider Order No. 23232, issued July 20, 1990, in Docket No. 090001-EI (Order No. 23232), in requiring a refund for the full outage time at Turkey Point Unit 4. The repair for the relay was not a planned outage. In Order No. 23232, a portion of the outage coincided with a planned outage.

Issue 3: Should the Commission make any corrections to the refund amount established in Order No. PSC-10-0381-FOF-EI?

Recommendation: No. The Commission did not overlook or fail to consider the factual and legal issues raised by FPL in reaching the Commission's decision to require a refund of \$13,854,054 to ratepayers as a result of the February 26, 2008 outage.

Issue 4: Should this docket be closed?

Recommendation: Yes. Upon expiration of the time for appeal, if no appeal has been taken, this docket should be closed.

ITEM NO.

CASE

4**PAA

Docket No. 090551-GU – Complaint by Gregory L. Spatz against Peoples Gas System for allegedly turning off service without notice.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: GCL: Jaeger

ECR: Kummer, Thompson

Issue 1: Did Peoples Gas System (PGS) improperly disconnect Greg Spatz's gas service in violation of Rule 28-7.089(2)(g), Florida Administrative Code (F.A.C.)?

Recommendation: No. PGS properly disconnected Mr. Spatz's gas service for failure to pay for utility service for the month of May 2009, including providing proper notice of disconnection. Mr. Spatz's complaint should therefore be dismissed.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no timely protest is received from a substantially affected person upon expiration of the 21-day protest period, the Proposed Agency Action Order will become final upon issuance of a Consummating Order, and the docket should be closed.

ITEM NO.

CASE

5**PAA

Docket No. 100345-EQ – Petition for approval of negotiated purchase power contract with Hathaway Renewable Energy, Inc. by Progress Energy Florida, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: RAD: Ma, Graves

ECR: Franklin

GCL: Tan, Brown

Issue 1: Should the Commission approve the petition submitted by PEF requesting approval for cost recovery of a negotiated contract with a qualifying facility, Hathaway Renewable Energy, LLC.?

Recommendation: No. Based on the most recent available information, the contracted payments are expected to be approximately \$13.3 million above PEF's current avoided costs, and therefore not eligible for cost recovery, pursuant to Sections 366.051 and 366.91 F.S., and Rule 25-17.0832(2), F.A.C.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

ITEM NO.

CASE

6**PAA

Docket No. 100346-EQ – Petition for approval of the second negotiated purchase power contract with Hathaway Renewable Energy, Inc. by Progress Energy Florida, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: RAD: Ma, Graves

ECR: Franklin

GCL: Tan, Brown

Issue 1: Should the Commission approve the petition submitted by PEF requesting approval for cost recovery of the second negotiated contract with a qualifying facility, Hathaway Renewable Energy, LLC.?

Recommendation: No. Based on the most recent available information, the contracted payments are expected to be approximately \$13.3 million above PEF's current avoided costs, and therefore not eligible for cost recovery, pursuant to Sections 366.051 and 366.91, F.S., and Rule 25-17.0832(2), F.A.C.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

ITEM NO.

CASE

7**PAA

Docket No. 100347-EQ – Petition for approval of the third negotiated purchase power contract with Hathaway Renewable Energy, Inc. by Progress Energy Florida, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: RAD: Ma, Graves

ECR: Franklin

GCL: Tan, Brown

Issue 1: Should the Commission approve the petition submitted by PEF requesting approval for cost recovery of the third negotiated contract with a qualifying facility, Hathaway Renewable Energy, LLC.?

Recommendation: No. Based on the most recent available information, the contracted payments are expected to be approximately \$13.3 million above PEF's current avoided costs, and therefore not eligible for cost recovery, pursuant to Sections 366.051 and 366.90, F.S., and Rule 25-17.0832(2), F.A.C.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

ITEM NO.

CASE

8**PAA

Docket No. 100155-EG – Petition for approval of demand-side management plan of Florida Power & Light Company. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: RAD: Garl, Brown, Harlow, Lewis

GCL: Fleming, Saylor

Issue 1: Does FPL's proposed 2010 Demand-Side Management (DSM) Plan satisfy the Company's numeric conservation goals set by the Commission in Order No. PSC-09-0855-FOF-EG?

Recommendation: No. FPL's proposed DSM Plan fails to meet its residential goals in at least one category for eight years. Similarly, the Company's Plan does not meet all the annual commercial/industrial goals for eight years of the ten-year period. FPL's failure to meet its annual conservation goals may result in financial penalties or other appropriate action.

Consistent with Section 366.82(7), F.S., staff recommends that FPL file specific program modifications or additions that are needed for the 2010 DSM Plan to be in compliance with Order No. PSC-09-0855-FOF-EG within 30 days of the Commission's Order in this docket. The compliance filing should not include savings associated with FPL's solar pilot programs.

Issue 2: Are the programs contained in FPL's proposed 2010 DSM Plan cost-effective as this criterion is used in Commission Order No. PSC-09-0855-FOF-EG?

Recommendation: Yes. All programs in FPL's proposed 2010 DSM Plan pass the E-TRC and Participants tests. Audits, Pilot Programs, and Research & Development Programs are not included in this evaluation because they are not required to pass cost-effectiveness testing. FPL should be required to file program standards within 30 days of the Commission's Order in this docket.

The Commission should approve cost-effective programs to allow FPL to file for cost recovery. However, FPL must still demonstrate, during the cost recovery proceeding, that expenditures in executing its DSM Plan were reasonable and prudent. In addition, the Commission will evaluate FPL's compliance filing and make a final determination at that time regarding the cost-effectiveness of any modified or new programs.

ITEM NO.

CASE

8**PAA

Docket No. 100155-EG – Petition for approval of demand-side management plan of Florida Power & Light Company. (Deferred from the November 30, 2010 Commission Conference.)

(Continued from previous page)

Issue 3: Does FPL’s proposed 2010 DSM Plan include pilot programs that encourage the development of solar water heating and solar PV technologies consistent with Commission Order No. PSC-09-0855-FOF-EG?

Recommendation: Yes. The cost of the proposed pilot programs is within the annual expenditure cap of \$15,536,870 specified by Commission Order No. PSC-09-0855-FOF-EG. However, the allocation of funds to: (1) solar thermal vs. solar PV, (2) private customers vs. public institutions, and (3) low-income residential varies widely among the IOUs’ programs, then the Commission should initiate public workshops to explore that issue further.

Issue 4: Do any of the programs in FPL’s proposed Demand-Side Management Plan have an undue impact on the costs passed on to customers?

Recommendation: No. The proposed program costs are not undue because the increase in program costs correlates with the increase in goals. The Commission should evaluate the Company’s compliance filing and make a final determination in the ECCR proceedings regarding the appropriateness of incentive levels.

Issue 5: Should this docket be closed?

Recommendation: No. This docket should remain open for FPL to refile its demand-side management plan within 30 days from the date of this Order. In addition, if the Commission approves any programs, the programs should become effective on the date of the Consummating Order. If a protest is filed within 21 days of the issuance of the Order, the programs should not be implemented until after the resolution of the protest.

ITEM NO.

CASE

9

Docket No. 100009-EI – Nuclear cost recovery clause. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: ECR: Breman, Hinton, Laux, Maurey

GCL: Young, Bennett, Leveille, Williams

(Participation is limited to Commissioners and Staff.)

Issue 3A: Does the Commission have the authority to require a “risk sharing” mechanism that would provide an incentive for a utility to complete a project within an appropriate, established cost threshold? If so, what action, if any, should the Commission take?

Recommendation: No. Section 366.93, F.S., expressly provides that a utility is entitled to recover all prudently incurred costs resulting from the construction of nuclear power plants. The statute does not set a dollar limit on the amount a utility can recover through the NCRC. Requiring a risk sharing mechanism exceeds the scope of the plain and expressed language and intent of the statute.

ITEM NO.

CASE

10**

Docket No. 100405-EI – Application for authority to issue and sell securities during calendar year 2011 pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power & Light Company. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Davis, Cicchetti, Maurey, Springer

GCL: Fleming

Issue 1: Should the Commission approve FPL's request for authority to issue and sell and/or exchange any combination of the long-term debt and equity securities and/or assume liabilities or obligations as guarantor, endorser or surety in an aggregate amount not to exceed \$6.1 billion during calendar year 2011 and have outstanding the aggregate principal amount not to exceed \$4.0 billion of short-term securities during calendar years 2011 and 2012?

Recommendation: Yes. Staff notes that FPL has agreed to certain revisions to its original security application.

Issue 2: Should this docket be closed?

Recommendation: No.

ITEM NO.

CASE

11**

Docket No. 080677-EI – Petition for increase in rates by Florida Power & Light Company.

Docket No. 090130-EI – 2009 depreciation and dismantlement study by Florida Power & Light Company. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: Edgar, Skop

Prehearing Officer: Skop

Staff: ECR: Slemkewicz, Cicchettii, Draper, P. Lee, Lester

GCL: Kiser, Helton, Bennett

Issue A: Should the Commission grant the Joint Petition to Assign Settlement Agreement to the Full Commission for Decision?

Recommendation: Yes. Pursuant to Section 350.01(6), Florida Statutes (F.S.), the full Commission should consider whether to approve the Stipulation and Settlement Agreement. The full Commission should also consider whether to approve Mr. Saporito's base rate petition.

Issue 1: Should the Commission approve the proposed Stipulation and Settlement?

Recommendation: Yes, the Commission should approve the proposed Stipulation and Settlement.

Issue 2: Should the Commission grant Thomas Saporito's Petition for Base Rate Proceeding?

Recommendation: No. The Commission should not grant the Petition for Base Rate Proceeding. The petition does not meet the requirements of Rule 28-106.201, F.A.C., because it fails to allege any material issue of disputed facts.

Issue 3: Should these dockets be closed?

Recommendation: Yes. These dockets should be closed upon the expiration of the time for appeal.

ITEM NO.

CASE

12**PAA

Docket No. 100410-EI – Review of Florida Power & Light Company's earnings.
(Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Slemkewicz, Cicchetti, Maurey, Springer, Willis
GCL: Bennett

Issue 1: Should the Commission initiate a review of Florida Power & Light Company's earnings?

Recommendation: Yes.

Issue 2: Should the Commission order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under bond or corporate undertaking?

Recommendation: Yes. The Commission should order FPL to hold earnings, for the 12-month period ending March 31, 2011, in excess of the authorized 11.00 percent maximum of the ROE range subject to refund under a corporate undertaking.

Issue 3: Should this docket be closed?

Recommendation: No. This docket should remain open until staff has reviewed FPL's historical earnings data for the year ending March 31, 2011, and the Commission has determined the amount and appropriate disposition of overearnings.

ITEM NO.

CASE

13**PAA

Docket No. 100404-EI – Petition by Florida Power & Light Company to recover Scherer Unit 4 Turbine Upgrade costs through environmental cost recovery clause or fuel cost recovery clause. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ECR: Wu, Franklin

GCL: Brown, Bennett, Saylor

Issue 1: Is FPL's Scherer Unit 4 steam turbine upgrade project eligible for cost recovery through the ECRC?

Recommendation: No. The project does not meet established criteria for cost recovery through the ECRC.

Issue 2: Is FPL's Scherer Unit 4 steam turbine upgrade project eligible for cost recovery through the Fuel Clause?

Recommendation: No. The project does not meet established criteria for recovery through the Fuel Clause.

Issue 3: Should this docket be closed?

Recommendation: Yes. If no person whose interests are substantially affected files a timely protest of the Commission's Proposed Agency Action, this docket may be closed upon issuance of a Consummating Order.

ITEM NO.

CASE

14**PAA

Docket No. 100266-EI – Review of 2010 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ECR: L'Amoreaux, Dowds

GCL: Bennett

Issue 1: Should the Commission approve Florida Power & Light Company's (FPL) updated 2010-2012 storm hardening plan?

Recommendation: Yes, the Commission should approve FPL's updated storm hardening plan.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

15**PAA

Docket No. 100419-EI – Petition for approval of base rate increase for extended power uprate systems placed in commercial service, pursuant to Section 366.93(4), F.S., and Rules 25-6.0423(7) and 28-106.201, F.A.C., by Florida Power & Light Company. (Deferred from the November 30, 2010 Commission Conference.)

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Skop

Staff: ECR: Slemkewicz, Breman, Cicchetti, Draper, Laux, Springer
GCL: Young

Issue 1: Should FPL's request to increase its base rates by \$1,952,620 for the 2010 EPU project modifications at the St. Lucie and Turkey Point units be approved?

Recommendation: Yes. FPL's request to increase its base rates by \$1,952,620 for the 2010 EPU project modifications at the St. Lucie and Turkey Point units should be approved. This approval should be subject to true-up and revision based on the final review of the 2010 modification expenditures in Docket No. 100009-EI, Nuclear Cost Recovery Clause.

Issue 2: Should FPL's request to increase its base rates by \$198,307 for the 5-year amortization of the EPU assets that are being retired during 2010 be approved?

Recommendation: Yes. FPL's request to increase its base rates by \$198,307 for the 5-year amortization of the EPU assets that are being retired during 2010 should be approved.

Issue 3: Should FPL's request to increase its base rates by \$48,335 for a true-up of the 2010 base rate revenue requirement for the PSL2 turbine gantry crane be approved?

Recommendation: Yes. FPL's request to increase its base rates by \$48,335 for a true-up of the 2010 base rate revenue requirement for the PSL2 turbine gantry crane should be approved.

Issue 4: What is the appropriate effective date of FPL's revised base rates?

Recommendation: If the Commission approves the staff recommendation in Issues 1, 2, and 3, the revised base rates should be implemented with the first billing cycle for 2011, which falls on January 3, 2011. Furthermore, FPL should file revised tariff sheets to implement the Commission vote in Issues 1, 2, and 3 for administrative approval by staff prior to their effective date.

Issue 5: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

16**PAA

Docket No. 090531-WS – Application for staff-assisted rate case in Highlands County by Lake Placid Utilities, Inc. (Deferred from the October 26, 2010 Commission Conference, revised recommendation filed.)

Critical Date(s): 04/20/11 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ECR: Roberts, Fletcher, Hudson, Maurey, Rieger, Simpson
GCL: Young

(Proposed Agency Action except for Issues 13, 14, and 15.)

Issue 1: Is the quality of service provided by Lake Placid satisfactory?

Recommendation: Yes. The overall quality of service provided by Lake Placid is satisfactory.

Issue 2: What are the used and useful percentages for the water treatment plant, the water distribution system, the wastewater treatment plant, and the wastewater collection system?

Recommendation: The Lake Placid water treatment plant, water distribution system, and wastewater collection system should be considered 100 percent used and useful (U&U). The wastewater treatment plant should be considered 28.5 percent U&U. A nine percent adjustment should be made to chemicals and electricity to reflect excessive unaccounted for water (EUW) in the distribution system. A 42 percent adjustment should be made to chemicals and electricity to reflect excessive infiltration and inflow (I&I) in the wastewater collection system.

Issue 3: Should any adjustments be made to the Utility's Project Phoenix Financial/Customer Care Billing System (Phoenix Project)?

Recommendation: Yes. Plant should be reduced by \$559 for water and \$873 for wastewater. In addition, accumulated depreciation and depreciation expense both should be reduced \$180 for water and \$281 for wastewater, respectively.

Issue 4: What is the appropriate average test year rate base for the Utility?

Recommendation: The appropriate average test year rate bases are \$192,035 for water and \$93,752 for wastewater.

Issue 5: What is the appropriate return on equity and overall rate of return for this Utility?

Recommendation: The appropriate return on equity (ROE) is 10.64 percent with an allowed range of plus or minus 100 basis points. The appropriate overall rate of return is 7.75 percent.

Issue 6: What is the appropriate amount of test year revenue?

Recommendation: The appropriate test year revenue for this Utility is \$52,417 for water and \$81,128 for wastewater.

ITEM NO.

CASE

16**PAA

Docket No. 090531-WS – Application for staff-assisted rate case in Highlands County by Lake Placid Utilities, Inc. (Deferred from the October 26, 2010 Commission Conference, revised recommendation filed.)

(Continued from previous page)

Issue 7: What is the appropriate amount of operating expenses?

Recommendation: The appropriate amount of operating expense for the Utility is \$58,456 for water and \$81,479 for wastewater.

Issue 8: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$73,341 for water and \$88,745 for wastewater.

Issue 9: Should the Utility's current rate structures for the water and wastewater systems be changed, and, if so, what are the appropriate adjustments?

Recommendation: No. The Utility's current residential and non-residential water and wastewater rate structures, which consist of monthly base facility (BFC)/uniform gallonage charge rate structures, should remain unchanged. The BFC cost recovery for the water system should be set at 52 percent. In addition, the bulk wastewater rate should continue to be based on a BFC/gallonage charge rate structure. The bulk customers' BFC should be based on 80 percent of the number of ERCs actually connected to the system. Also, the bulk customer's gallonage charge should be set at 80 percent of the general service gallonage charge. Finally, a flat rate structure should be implemented for the two unmetered residential wastewater customers. The BFC cost recovery for the wastewater system should be set at 50 percent.

Issue 10: Is a repression adjustment appropriate in this case, and if so, what is the appropriate adjustment to make for this utility, what are the corresponding expense adjustments, and what is the final revenue requirements for the water system?

Recommendation: No, a repression adjustment is not appropriate for this utility. However, in order to monitor the effects resulting from the changes in revenues, the Utility should prepare monthly reports for the water system, detailing the number of bills rendered, the consumption billed and revenues billed. In addition, the reports should be prepared by customer class and meter size. The reports should be filed with staff, on a semi-annual basis, for a period of two years beginning the first billing period after the approved rates go into effect. To the extent the Utility makes adjustments to consumption in any month during the reporting period, the Utility should be ordered to file a revised monthly report for that month within 30 days of any revision.

ITEM NO.

CASE

16**PAA

Docket No. 090531-WS – Application for staff-assisted rate case in Highlands County by Lake Placid Utilities, Inc. (Deferred from the October 26, 2010 Commission Conference, revised recommendation filed.)

(Continued from previous page)

Issue 11: What are the appropriate rates for this utility?

Recommendation: The appropriate monthly water and wastewater rates are shown on Schedules Nos. 4-A and 4-B of staff's memorandum dated December 2, 2010, respectively. The recommended rates should be designed to produce revenue of \$73,341 for water and \$88,745 for wastewater, excluding miscellaneous service charges. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within no less than 10 days after the date of the notice.

Issue 12: Should the Utility's request for approval of a Non-Sufficient Funds fee be granted?

Recommendation: Yes. The Utility's request for a Non-Sufficient Funds (NSF) fee should be approved. The NSF fee should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. In addition, the rates should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date the notice was given within 10 days after the date of the notice.

Issue 13: What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, F.S.?

Recommendation: The water and wastewater rates should be reduced as shown on Schedule Nos. 4-A and 4-B, to remove rate case expense grossed up for RAFs and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. Lake Placid should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

ITEM NO.

CASE

16**PAA

Docket No. 090531-WS – Application for staff-assisted rate case in Highlands County by Lake Placid Utilities, Inc. (Deferred from the October 26, 2010 Commission Conference, revised recommendation filed.)

(Continued from previous page)

Issue 14: Should the recommended rates be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. Prior to implementation of any temporary rates, the Utility should provide appropriate security. If the recommended rate is approved on a temporary basis, the revenues collected by the Utility should be subject to the refund provisions discussed in the analysis portion of staff's memorandum dated December 2, 2010. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

Issue 15: Should the Utility be required to provide proof, within 90 days of an order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners Uniform System of Accounts (NARUC USOA) primary accounts associated with the Commission-approved adjustments?

Recommendation: Yes. To ensure that the Utility adjusts its books in accordance with the Commission's decision, Lake Placid should provide proof, within 90 days of the final order issued in this docket, that the adjustments for all the applicable NARUC USOA primary accounts have been made.

Issue 16: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within twenty-one days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff. Once these actions are complete, this docket should be closed administratively.

ITEM NO.

CASE

17**PAA

Docket No. 100446-SU – Settlement proposal for possible overearnings by Tierra Verde Utilities, Inc. in Pinellas County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECR: Fletcher

GCL: Crawford

Issue 1: Should the Commission accept the settlement offer proposed by Tierra Verde Utilities, Inc.?

Recommendation: Yes. Pursuant to the settlement proposal, Tierra Verde will make an across-the-board rate reduction of \$39,681 or 4.39 percent of total revenues, as well as a refund of \$20,271 with interest. The Utility should file a proposed customer notice reflecting the Commission's decision within 15 days of the Commission vote. The approved rates should be effective for service rendered on or after the stamped approval date of the tariff, pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.), after staff has verified that the proposed customer notice is adequate and this notice has been provided to the customer. The Utility should provide proof that the customers have received notice within 10 days after the date of the notice.

Issue 2: Should this docket be closed?

Recommendation: No. If no timely protest is received from a substantially affected person upon expiration of the protest period, the PAA Order will become final upon the issuance of a Consummating Order. However, this docket should remain open to allow staff to verify completion of the refund discussed in Issue 1 and to verify that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff. Once staff has verified that the refunds have been made in accordance with Rule 25-30.360, F.A.C., the docket should be closed administratively.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

Critical Date(s): 01/25/11 (8-Month Effective Date)

Commissioners Assigned: Graham, Edgar, Skop

Prehearing Officer: Skop

Staff: ECR: Hudson, Cicchetti, Daniel, Fletcher, Lingo, Maurey, Salnova, Stallcup,
Walden, Williams

GCL: Jaeger, Sayler

(Participation is Limited to Commissioners and Staff.)

Issue 1: Is the quality of service provided by the Utility satisfactory?

Recommendation: Yes, the overall quality of service provided by the Utility should be considered satisfactory.

Issue 2: What is the used and useful percentage of the Utility's water distribution system?

Recommendation: Consistent with the methodology in Order No. PSC-94-1383-FOF-WU, the Utility's transmission and distribution mains should be considered 100 percent used and useful, except for the distribution mains less than 8" in diameter serving certain subdivisions within the area known as the Plantation. Those lines inside the Plantation should be considered 60.9 percent used and useful and no further adjustment to the Utility's MFRs is necessary for the water distribution system.

Issue 3: Should any adjustments be made to rate base regarding affiliate assets?

Recommendation: No. The Utility removed the plant and accumulated depreciation associated with Trailer No. 2. However, depreciation expense should be reduced by \$2,670.

Issue 4: Should any adjustments be made to rate base for vehicles?

Recommendation: Yes. Plant should be decreased by \$30,413 for a 2007 Chevy Tahoe. Accumulated depreciation should be reduced by \$4,224. Further, depreciation expense should be reduced by \$5,069. Also, the Utility's adjustments for 50 percent U&U should not be applied to the vice president's vehicle. The net adjustment to U&U is an increase of \$13,094. Depreciation expense should be increased by \$2,535 to remove the U&U adjustment for the vice president's vehicle. Finally, the Utility should be ordered to maintain travel logs for all vehicles to enable staff to evaluate the appropriate level of utility-related usage in future rate case proceedings.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 5: Should any adjustments be made to offset plant improvements related to mains in the State Park as a result of WMSI's transfer of rental rights to the elevated tower?

Stipulation: As a result of WMSI's transfer of rental rights to the elevated tower, plant and accumulated depreciation should be reduced by \$100,000 and \$6,978, respectively. Additionally, test year depreciation expense should be reduced by \$2,326.

Issue 6: Should any adjustments be made to test year plant-in-service balances?

Recommendation: Yes. Plant should be increased by \$11,371 to reflect capitalized plant and decreased by \$8,001 for retirement cost of replaced plant items for a net increase of \$3,370. Accordingly, accumulated depreciation should be decreased by \$7,909, and depreciation expense should increase by \$560.

Issue 7: Should any adjustments be made to test year land?

Stipulation: Land should be decreased by \$3,400 to reflect the removal of appraisal and surveying costs associated with land that was sold.

Issue 8: What improvements, if any, has WMSI made to its water distribution system regarding fire flow that were addressed by the Commission in Orders Nos. PSC-04-0791-AS-WU, issued August 12, 2004, and PSC-05-1156-PAA-WU, issued November 21, 2005, in Docket No. 000694-WU? Do these improvements satisfy the requirements of the orders?

Recommendation: The Utility has made the improvements to its water distribution system regarding fire flow and has satisfied the requirements of Commission Order Nos. PSC-04-0791-AS-WU and PSC-05-1156-PAA-WU.

Issue 9: Should the Utility's pro forma plant additions be approved for recovery? If so, in what manner should they be approved for recovery?

Recommendation: The pro forma plant additions should not be approved for recovery in this proceeding. However, all evidence supports that the proposed projects are prudent, reasonable, and should improve the quality of service and the system's reliability. Staff therefore recommends that the Commission find in this proceeding that the pro forma projects are prudent. However, the Utility should file for another proceeding once it has obtained adequate cost justification for the pro forma plant additions. At this time, all adjustments related to the pro forma plant additions should be removed as outlined in the analysis portion of staff's memorandum dated December 3, 2010.

Issue 10: Should any adjustments be made to test year accumulated depreciation?

Recommendation: Yes. However, all such adjustments have been made in preceding issues.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 11: Should any adjustments be made to test year Advances for Construction?

Recommendation: No further adjustment beyond adjustment specified in Stipulation No. 5 identified on page 5 of staff's memorandum dated December 3, 2010, is necessary. The partial stipulation states that Advances for Construction should be decreased by \$9,257 to reflect Commission approved adjustment from the Utility's last rate case.

Issue 12: What is the appropriate working capital allowance?

Recommendation: With the partial stipulation, and other appropriate adjustments, the appropriate working capital allowance is \$39,912.

Issue 13: What is the appropriate rate base for the December 31, 2009, test year?

Recommendation: Consistent with other recommended adjustments, the appropriate 13-month average rate base is \$3,724,384.

Issue 14: What is the appropriate amount of customer deposits to include in the capital structure?

Stipulation: The appropriate amount of customer deposits to include in the capital structure is \$100,499.

Issue 15: What is the appropriate amount and cost rate for long-term debt for the test year?

Recommendation: The appropriate amount and cost rate for long-term debt for the test year is \$3,623,885 at 3.79 percent.

Issue 16: What is the appropriate return on equity (ROE) for the test year?

Recommendation: The appropriate return on equity for the test year is 10.85 percent.

Issue 17: What is the appropriate weighted average cost of capital including the proper components, amounts and cost rates associated with the capital structure for the December 31, 2009, test year?

Recommendation: The appropriate weighted average cost of capital for WMSI is 3.85 percent.

Issue 18: Should any adjustments be made to the requested level of salaries and wages expense?

Recommendation: Yes. The level of salaries and wages expense should be reduced by \$50,424. The corresponding adjustment for payroll taxes is a decrease of \$3,857.

Issue 19: Should any adjustments be made to employee pension and benefits?

Recommendation: Yes. Employee pension and benefits should be reduced by \$83,665 to reflect the removal of \$80,000 for the executive deferred compensation plan and \$3,665 to allocate 12.5 percent of the expense to affiliate operations.

Issue 20: Should any adjustments be made to Materials and Supplies expense?

Recommendation: Yes. Materials and Supplies should be decreased by \$8 to remove an out of period expense.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 21: Should any adjustments be made to the requested level of Engineering Services expense?

Recommendation: Yes. The requested level of Engineering Services expense should be decreased by \$42,128.

Issue 22: Should any adjustments be made to the requested level of Accounting Services expense?

Recommendation: Yes. The requested level of accounting services expense should be reduced by \$14,333.

Issue 23: Should any adjustments be made to the requested level of DEP refinancing costs?

Recommendation: Yes. The Utility's test year expenses should be reduced by \$2,500 to remove cost related to the DEP refinancing.

Issue 24: Should any adjustments be made to the requested level of Contract Labor Costs?

Stipulation: \$1,250 of additional contractual service costs should be removed for a total of \$7,250 for Hank Garrett charges during 2009 (on general ledger as management fees).

Issue 25: Should additional adjustments be made to remove out of period costs for annual report preparation fees?

Stipulation: Yes. An adjustment should be made to reduce the out of period costs by \$2,100 to reflect the actual cost incurred in 2009 for preparation of the 2008 Annual Report.

Issue 26: Should any adjustments be made to rental of building/real property?

Recommendation: Yes. Rental of building/real property should be reduced by \$2,250 to reflect the allocation of rent expense to affiliated entities.

Issue 27: Should any adjustment be made to transportation expense?

Recommendation: Yes. Transportation expense should be reduced by \$3,618.

Issue 28: Should the requested key man life insurance expense be approved?

Recommendation: No. The key man life insurance expense should not be approved and the Utility's insurance-other account should be reduced by \$12,015.

Issue 29: What is the appropriate amount of rate case expense?

Recommendation: The Utility's test year rate case expense should be reduced by \$24,184 to remove the fully amortized expense from the Utility's prior limited proceeding. The appropriate amount of rate case expense is \$206,632. The four-year amortization results in test year rate case expense of \$51,658, which decreases the Utility's annual amortization amount by \$5,495.

Issue 30: Should any adjustments be made to employee training costs?

Recommendation: Yes. Employee training costs should be decreased by \$1,752.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 31: Should any further adjustments be made to miscellaneous expenses?

Recommendation: Yes. Miscellaneous expense should be further reduced by \$54,594.

Issue 32: Should any further adjustments be made to the Utility's pro forma expenses?

Recommendation: No further adjustments should be made to the Utility's pro forma expenses. However, the Utility should submit a quarterly general ledger and canceled checks verifying that the Utility is consistently paying for the pro forma expenses allowed in this rate proceeding for a period of two years.

Issue 33: Should any adjustments be made to depreciation expense?

Recommendation: Yes. However, all such adjustments have been made in preceding issues.

Issue 34: Should the company's request to recover the costs associated with the withdrawn wastewater certificate application be approved?

Recommendation: No. The Utility's requested amortization of \$10,570 for cost associated with its application for a wastewater certificate should be removed.

Issue 35: How should the gain on sale of land and other assets be treated?

Recommendation: The gain on sale of land and other assets of the Utility should be amortized over five years. The annual amortization is \$48,408.

Issue 36: What is the test year pre-repression water operating income or loss before any revenue increase?

Recommendation: The test year pre-repression water operating income is \$136,572 for water.

Issue 37: What is the appropriate pre-repression revenue requirement for the December 31, 2009 test year?

Recommendation: The following revenue requirement should be approved.

	<u>Test</u> <u>Year Revenues</u>	<u>\$ Increase</u>	<u>Revenue</u> <u>Requirement</u>	<u>% Increase</u>
Water	\$1,302,363	\$7,124	\$1,309,487	0.55%

Issue 38: What are the appropriate test year billing determinants before repression?

Recommendation: The appropriate test year billing determinants before repression are those listed in the MFR Schedule E-2, page 1 of 2, column 5, and in MFR Schedule E-14.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 39: What are the appropriate rate structures for this utility?

Recommendation: The appropriate rate structure for the residential class is a continuation of the Utility's existing three-tiered inclining block rate structure. The appropriate rate structure for all non-residential classes is a continuation of the BFC/uniform gallonage charge rate structure. Because staff's recommended change in revenue requirements is approximately one half of one percent, staff recommends that the Utility's BFC and gallonage charges remain unchanged.

Issue 40: Is a repression adjustment appropriate in this case, and, if so, what is the appropriate adjustment to make for this Utility?

Recommendation: No, a repression adjustment is not appropriate in this case.

Issue 41: What are the appropriate rates for this Utility?

Recommendation: The appropriate monthly rates are shown on Schedule No. 4 of staff's memorandum dated December 3, 2010. Excluding miscellaneous service revenues, the recommended water rates are designed to produce total Utility revenues of \$1,298,436. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date of the revised tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. In addition, the rates should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date the notice was given no less than 10 days after the date of the notice.

Issue 42: Should the Utility be authorized to revise its miscellaneous service charges, and, if so, what are the appropriate charges?

Recommendation: Yes. Staff recommends that the Utility's proposed charges as reflected in Exhibit 3 (MFR p. 70) are reasonable and should be approved.

Issue 43: Are the procedures and charges imposed by WMSI when an existing customer disconnects and/or a new customer reconnects in an existing service location appropriate? If not, how should the tariff provisions governing these activities be modified?

Recommendation: No. The procedures imposed by WMSI when an existing customer disconnects and/or a new customer reconnects in an existing service location are not appropriate. The Utility does not have the authority to inspect the interior of a customer's property nor refuse service if it can not make an interior inspection. The "Addendum to Water Application" is appropriate as it will assist the Utility in obtaining the necessary information for determining property use and should be incorporated into its tariff. The temporary charge of \$100 is reasonable and should be incorporated in the Utility's tariff along with the definition and policies governing the temporary service charge.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 44: In determining whether any portion of the interim increase granted should be refunded, how should the refund be calculated, and what is the amount of the refund, if any?

Recommendation: The proper refund amount should be calculated by using the same data used to establish final rates, excluding rate case expense and other items not in effect during the interim period. This revised revenue requirement for the interim collection period should be compared to the amount of interim revenue requirement granted. The Utility should be required to refund 100 percent of the interim increase that was collected by the Utility. The refund should be made with interest in accordance with Rule 25-30.360(4), F.A.C. The Utility should be required to submit proper refund reports, pursuant to Rule 25-30.360(7), F.A.C. The Utility should treat any unclaimed refunds as CIAC, pursuant to Rule 25-30.360(8), F.A.C. Further, the escrow should be released upon staff's verification that the required refunds have been made.

Issue 45: What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, F.S.?

Recommendation: The water rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated December 3, 2010, to remove \$54,092 of water rate case expense, grossed up for regulatory assessment fees (RAFs), which is being amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The Utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than 30 days prior to the actual date of the required rate reduction. The approved rates should be effective for service rendered on or after the stamped approval date of the revised tariff sheets, pursuant to Rule 25-40.475(1), F.A.C. The rates should not be implemented until staff has approved the proposed customer notice. WMSI should provide proof of the date notice was given no less than 10 days after the date of the notice.

Issue 46: What are the appropriate service availability charges for WMSI?

Recommendation: The appropriate service availability charges for WMSI are the charges contained in its current tariff.

Issue 47: Should the Utility be required to provide proof that it has adjusted its books for all Commission approved adjustments?

Stipulation: To ensure that the Utility adjusts its books in accordance with the Commission's decision, WMSI should provide proof, within 90 days of the final order issued in this docket, that the adjustments for all the applicable NARUC USOA primary accounts have been made.

ITEM NO.

CASE

18

Docket No. 100104-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

(Continued from previous page)

Issue 48: Has the Utility failed to return customer deposits in compliance with the refund procedures stated in Rule 25-30.311(5), Florida Administrative Code, and, if so, what amount of customer deposits shall the Utility be required to refund?

Recommendation: No. The Utility has not failed to return customer deposits in compliance with the refund procedures stated in Rule 25-30.311(5), F.A.C.

Issue 49: Did the Utility fail to maintain field employee travel records pursuant to Order No. PSC-94-1383-FOF-WU? If so, should the Utility be ordered to show cause why it failed to maintain field employee travel records, pursuant to Order No. PSC-94-1383-FOF-WU, issued November 14, 1994?

Recommendation: Yes, the Utility failed to maintain field employee travel records in compliance with the requirements of Order No. PSC-94-1383-FOF-WU, and should be ordered to show cause why it should not be fined \$1,000, pursuant to Section 367.161, F.S., for this failure to comply with the Order.

Issue 50A: Is the Utility's level of investment in associated companies appropriate? If not, what action should the Commission take?

Recommendation: Based on the evidence in the record, it cannot be determined if the level of investment in associated companies is appropriate. However, this amount is not included in rate base and thus is not considered in the determination of the customer rates recommended in this proceeding. Before the next filing by this Utility, staff will initiate a cash flow audit to explore this issue in greater detail.

Issue 50B: Are there any non-Utility expenses that the Utility is requesting be recovered through customer rates? If so, what adjustments should be made?

Recommendation: Yes, however, all non-Utility adjustments have been made in previous issues.

Issue 51: Should this docket be closed?

Recommendation: If the Commission's final order is not appealed, this docket should be closed upon staff's approval of the tariffs, verification of the required refunds, and the expiration of the time for filing an appeal.

ITEM NO.

CASE

19

Docket No. 090478-WS – Application for original certificates for proposed water and wastewater systems, in Hernando and Pasco Counties, and request for initial rates and charges, by Skyland Utilities, LLC.

Critical Date(s): None

Commissioners Assigned: Graham, Edgar, Skop, Brisé

Prehearing Officer: Skop

Staff: ECR: Brady, Chase, Daniel, Williams

GCL: Klancke, Bennett

(Participation is Limited to Commissioners and Staff.)

Issue A: What is the appropriate disposition of the hearsay objections to Exhibits 2, 4, 14, 15, 40, and 45?

Recommendation: The hearsay objections to Exhibits 2, 4, 14, 15, 40, and 45 should be denied.

Issue 1: Has Skyland presented evidence sufficient to invoke the Commission's exclusive jurisdiction over Skyland's Application for original certificates for proposed water and wastewater systems?

Recommendation: Yes. Skyland has presented evidence sufficient to invoke the Commission's exclusive jurisdiction over Skyland's application, pursuant to Section 367.171(7), F.S.

Issue 1A: Did Skyland provide evidence to support that it satisfies the definition of "utility" contained in Section 367.021(12), Florida Statutes?

Recommendation: Yes. Skyland has provided evidence to support that it satisfies the definition of "utility" contained in Section 367.021(12), Florida Statutes.

Issue 1B: Did Skyland provide evidence to support that the service proposed by Skyland transverse county boundaries, pursuant to Section 367.171(7), Florida Statutes?

Recommendation: Yes. Staff believes that Skyland has provided evidence to support that the service proposed by Skyland transverse county boundaries, pursuant to Section 367.171(7), Florida Statutes.

Issue 2: Is there a need for service in Skyland's proposed service territory and, if so, when will service be required?

Recommendation: No. The preponderance of the evidence does not support an immediate need for service or when, or in what form, any future service would be required in the requested territory for which a Commission certificate would be required.

Issue 3: Is Skyland's application inconsistent with Hernando County's comprehensive plan?

Recommendation: Yes. Skyland's application appears to be inconsistent with the Hernando County Comprehensive Plan. However, in light of the evidence presented in this case, that inconsistency should not cause the Commission to deny the Application.

ITEM NO.

CASE

19

Docket No. 090478-WS – Application for original certificates for proposed water and wastewater systems, in Hernando and Pasco Counties, and request for initial rates and charges, by Skyland Utilities, LLC.

(Continued from previous page)

Issue 4: Is Skyland's application inconsistent with Pasco County's comprehensive plan?

Recommendation: Yes. Skyland's application appears to be inconsistent with a number of provisions in the Pasco County Comprehensive Plan, most notably that which prohibits central water and wastewater services in the Northeast Pasco Rural Area, except under very limited circumstances.

Issue 5: Will the certification of Skyland result in the creation of a utility which will be in competition with, or duplication of, any other system, pursuant to Section 367.045(5)(a), F.S.?

Recommendation: No. The utility will not be in competition with, or duplication of, any other system.

Issue 6: Does Skyland have the financial ability to serve the requested territory?

Recommendation: Yes, Skyland has demonstrated the financial ability to serve the requested territory.

Issue 7: Does Skyland have the technical ability to serve the requested territory?

Recommendation: Yes. The utility has the existing and potential technical ability to serve all the needs of the requested territory

Issue 8: Has Skyland provided evidence that it has continued use of the land upon which the Utility treatment facilities are or will be located?

Recommendation: No. The lease agreements provided in the Application do not provide sufficient evidence of continued use of the land upon which the Utility treatment facilities are or will be located, pursuant to Rule 25-30.033(1)(j), F.A.C. If certificates for the proposed water and wastewater systems are granted, the Utility should be required to file an executed and recorded copy of the deed, or executed copy of the lease, showing continued use of the land upon which the Utility water and wastewater treatment facilities are or will be located, within 30 days after the issuance of the order granting certificates.

Issue 9: Is it in the public interest for Skyland to be granted water and wastewater certificates for the territory proposed in its application?

Recommendation: No. The preponderance of the evidence indicates that granting Skyland's application is not in the public interest. However, if the Commission grants the application, Water Certificate No. 653-W and Wastewater Certificate No. 558-S should be issued to serve the territory described in Attachment A of staff's memorandum dated December 2, 2010. The resultant order should serve as Skyland's water and wastewater certificates and should be retained by the utility. The appropriate rates and charges are discussed in subsequent issues.

ITEM NO.

CASE

19

Docket No. 090478-WS – Application for original certificates for proposed water and wastewater systems, in Hernando and Pasco Counties, and request for initial rates and charges, by Skyland Utilities, LLC.

(Continued from previous page)

Issue 10: If the certificates for the proposed water and wastewater systems are granted, what is the appropriate return on equity for Skyland?

Recommendation: If the certificates for the proposed water and wastewater systems are granted, the appropriate return on equity for Skyland should be 10.85 percent, with a range of plus or minus 100 basis points, based on the leverage graph formula in effect at the time of the Commission vote in this proceeding.

Issue 11: If the certificates for the proposed water and wastewater systems are granted, what are the appropriate potable water and wastewater rates for Skyland?

Recommendation: If the certificates for the proposed water and wastewater systems are granted, water and wastewater rates should not be approved at this time. Instead, the utility should be required to file rates and charges at the time that all aspects of cost are reasonably known. However, should the Commission choose to establish rates and charges at this time, the rates and charges contained in the analysis portion of staff's memorandum dated December 2, 2010, are reasonable and should be approved. Skyland should be required to charge these rates and charges until authorized to change them by the Commission in a subsequent proceeding. Within 30 days from the date of the issuance of the order in this proceeding, Skyland should be required to file revised tariffs representing the Commission's vote for administrative approval by staff. Pursuant to Rule 25-30.475, F.A.C., the tariffs should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets.

Issue 12: If the certificates for water and wastewater systems are granted, what are the appropriate service availability charges for Skyland?

Recommendation: If the certificates for the proposed water and wastewater systems are granted and if the Commission votes to establish rates and charges at this time, Skyland's service availability policy and staff's recommended water and wastewater service availability charges shown on Schedule Nos. 1 and 2 of staff's memorandum dated December 2, 2010, respectively, are consistent with the guidelines of Rule 25-30.580, F.A.C., and should be approved. The charges should be effective for connections made on or after the stamped approval date on the tariff sheets.

Issue 13: If the certificates for the proposed water and wastewater systems are granted, what is the appropriate Allowance for Funds Used During Construction (AFUDC) rate for Skyland?

Recommendation: If the certificates for the proposed water and wastewater systems are granted, an annual AFUDC rate of 8.70 percent and a discounted monthly rate of 0.69760205 percent should be approved and applied to the qualified construction projects beginning on or after the date the certificates of authorization are issued.

ITEM NO.

CASE

19

Docket No. 090478-WS – Application for original certificates for proposed water and wastewater systems, in Hernando and Pasco Counties, and request for initial rates and charges, by Skyland Utilities, LLC.

(Continued from previous page)

Issue 14: Should this docket be closed?

Recommendation: If the Commission denies the Application, upon the expiration of the appeal period, if no party timely appeals the order, this docket should be closed. If the proposed certificates for water and wastewater and rates and charges are granted, this docket should remain open pending staff's verification that the Utility has filed evidence of continued use of the land upon which the treatment facilities will be located, and revised tariff sheets. Upon the Utility's filing of this evidence, and upon filing and staff's approval of the revised tariff sheets, this docket should be closed administratively. If the proposed certificates for water and wastewater are granted but rates and charges are not approved, the docket should remain open pending staff's verification that the Utility has filed evidence of continued use of the land and the Utility's filing of rates and charges at the time that all aspects of the case are reasonably known.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide
competitive local exchange
telecommunications service by Sign Language
Access, Inc. d/b/a callVRS.

DOCKET NO. 100430-TX
ORDER NO. PSC-11-0091-CO-TX
ISSUED: February 1, 2011

CONSUMMATING ORDER

BY THE COMMISSION:

By Order No. PSC-11-0017-PAA-TX, issued January 5, 2011, this Commission proposed to take certain action, subject to a Petition for Formal Proceeding as provided in Rule 25-22.029, Florida Administrative Code. No response has been filed to the order, in regard to the above mentioned docket. It is, therefore,

ORDERED by the Florida Public Service Commission that Order No. PSC-11-0017-PAA-TX has become effective and final. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 1st day of February, 2011.



ANN COLE
Commission Clerk

(S E A L)

VSM

DOCUMENT NUMBER-DATE

00772 FEB-1 =

FPSC-COMMISSION CLERK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any judicial review of Commission orders that is available pursuant to Section 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.